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Statements of
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before the

Subcommittee on Contracting and Technology
House Committee on Small Businesses
House of Representatives

Thank you for the opportunity to testify before the Subcommittee regarding NASA's efforts to increase opportunities for small businesses, particularly at NASA's Langley Research Center (LaRC) and Wallops Island facilities.

Overview of the Office of Small Business Programs

The NASA Office of Small Business Programs seeks to promote and integrate all small businesses into the competitive base of contractors that pioneer the future of space exploration, scientific discovery, and aeronautics research. Its mission is to advise the Administrator on all matters related to small business; to promote the development and management of NASA programs that assist all categories of small business; to develop small businesses in high tech areas that include technology transfer and commercialization of technology; and to provide small businesses maximum practicable opportunities to participate in NASA prime contracts and subcontracts.

Highlights of Langley Research Center Small Business Activity

LaRC, located in Hampton, Virginia, is one of 10 NASA Centers, and one of two facilities located in Virginia. LaRC provides a critical Agency role through a diverse portfolio of work in aeronautics, exploration, science, space operations, and education. This Center is helping to transform the nation's air transportation system to ensure safer, more environmentally friendly and efficient air travel, contributing to the science that will enable a better understanding of our home planet, and help develop the vehicles to support future human space activities.

There are currently about 3,700 employees working at Langley, approximately half of whom are private-sector contractors working on-or near-site. Of these private-sector employees, over one-third are employed by small business firms. During FY 2008, Langley made nearly 900 awards to small businesses and obligated in excess of $150 million of NASA funds on both new and existing small business contracts for services ranging from commodities to high-tech, cutting edge research.

Some examples of small business companies providing high-tech, cutting edge research to NASA at Langley are as follows:

The Science, Systems, and Applications, Inc (SSAI) is a minority woman-owned company of nearly 550 employees that is playing a critical role in science research and technology development. SSAI contributed heavily to the completion of the Archive Next Generation (ANGe) system, a key component of the Atmospheric Science Data Center (ASDC) located at Langley. The ASDC is one of the premier national repositories of atmospheric data important to understanding global climate change. Their efforts in data archiving and processing have resulted in major system performance improvements while significantly reducing operational costs. Additionally, SSAI provides data analysis, algorithm development, and operational support to Langley science missions focused on understanding the composition of the Earth's atmosphere and climate change. SSAI has continually shown a dedication to supporting the NASA mission and has recognized the importance of attracting and retaining specialized expertise for Langley. In addition to their technical excellence, SSAI provides outstanding service to the community and to their employees through training, performance awards, and scholarship program. SSAI was recently selected as NASA Langley's 2009 Small Business Prime Contractor of the Year.

The Analytical Services and Materials, Inc. (AS&M) is a minority, woman-owned business of approximately 130 employees. For many years, AS&M has provided analytical and experimental services that have contributed to NASA mission success across high-visibility aeronautics and space exploration programs. AS&M employees are part of a formidable team that has delivered thousands of computational solutions to the Constellation Program. Acting upon recommendations of the Columbia Accident Investigation Board for Shuttle return to flight, AS&M provided key structural analyses leading to corrective actions for improved Shuttle safety. Responding to a 911 call from the National Transportation and Safety Board, NASA brought AS&M experts in to help analyze and understand aircraft structural failure associated with airline accidents. Their work has been recognized with numerous NASA awards including the Silver Snoopy Astronauts' Personal Achievement Award and the NASA Engineering and Safety Center Engineering Excellence Award. AS&M was awarded the Small Business Administration National Prime Contractor of the Year award in 2006.

Analytical Mechanics Associates (AMA) is a small business of nearly 90 employees who deliver critical support to NASA's Exploration, Science, and Aeronautics missions. AMA's high-caliber team has provided key support and made major contributions to NASA's Constellation program to replace the Space Shuttle, including definition and analysis of human lunar architecture concepts; structural analysis and design for the Ares I and Ares I-X launch vehicles and Orion Launch Abort System; and modeling and simulation for the Orion Crew Module Landing System. AMA has provided critical support to NASA's Science missions to Mars, including comprehensive modeling and simulation for Entry, Descent, and Landing. AMA also provided support to the recent Inflatable Re-entry Vehicle Experiment sounding rocket flight demonstration launched from Wallops Island, Virginia. In addition to technical excellence, AMA provides outstanding service to the community through their contributions to charitable organizations. AMA was nominated by NASA Langley this year for NASA's prestigious George M. Low award in the small business services category.

Small businesses are vital to the United States economy as they employ just over half of all private sector employees, hire 40 percent of high tech workers, and have generated 64 percent of net new jobs over the past 15 years. Small businesses allow the federal government to work with some of the most innovative companies in America, often with direct access to the chief executive officer since the organizational structure tends to be much flatter than their large business counterparts. Small businesses are important to Langley because they are innovative, cutting edge, agile, responsive, and provide technical excellence across the board. Because NASA Langley realizes the value of the contributions of the small business community to the United States and to our Center specifically, the Langley small business specialist is heavily engaged in counseling and outreach activities. In FY 2009 alone, we have communicated with small businesses over 5,000 times via e-mail, phone or in person. We also have a Small Business Administration Procurement Center Representative on-site. NASA Langley has averaged spending approximately one-third of our procurement budget to small businesses over the last 12 years, and we have exceeded our small business goals for the past 9 years.

Highlights of Wallops Flight Facility Small Business Activity

NASA's Wallops Flight Facility, part of the Goddard Space Center in Greenbelt, Maryland, is located in a remote area on Virginia's Eastern Shore and is NASA`s principal facility for the management and implementation of suborbital research programs. Employing approximately 1,000 civil servants and contractor employees, Wallops is a major economic influence in the Maryland and Virginia regions, providing high-tech jobs in the areas of science and aeronautics. Wallops is one of the region's largest employers and is the largest technical employer within one hundred miles. Because of the nature of the mission and the remoteness of the campus, Wallops relies heavily on small business for support services. Wallops has found that there are intrinsic benefits that come with working with small businesses, including better customer focus, less bureaucracy, and often lower overhead costs. Wallops takes pride in being small but innovative, and has found that the small businesses share this important characteristic.

Wallops currently has six active construction contracts, all of which have small businesses as the prime contractors. One of these contractors, Construction Development Services Inc. (CDSI) is based close by in Norfolk, Virginia. CDSI performed the Renovation of the X-85 Launch Building at Wallops Island, a contract that was awarded on February 20, 2008 in the amount of $1.1 million through the Small Business Administration's 8(a) Program. Prior to the completion of the original period of performance, funding became available to award two options to the original contract. These two areas of work were for a fire sprinkler system for the building and for new fabric door systems. As a small business, CDSI was able to offer Wallops an exceptional price for sprinkler and door systems that resulted in a minimal cost increase to the contract. A new period of performance was established and the work completed satisfactorily and ahead of schedule.

CDSI was an exceptional contractor to work with on the Renovation of X-85 project, the Range's main meteorological station. Our launch range worked seamlessly during the construction period, which was a major concern. The supervision and coordination of this project was outstanding, as the contractor kept the project on schedule while balancing various subcontractors as well as several contract modifications during the life of the contract. In August and September, two new contracts were awarded to this 8(a) firm for work at Wallops. One is for a new Fire Detection System in all Wallops Buildings and the other is for a grouping of small projects at various buildings.

In FY 2008, Wallops awarded 59 new contracts to small businesses, adding to the already existing 46 open contracts with small businesses. FY 2008 total obligations for new contracts to small businesses

were $5.5 million, with another $41.5 million in modifications to existing contracts obligated. These numbers reflect the value of small businesses to Wallops and their important role in NASA's work.

Contract awards for Wallops are managed by Goddard Space Flight Center (GSFC), which works to ensure that small businesses continue to be a vital part of Wallops' operation. As part of this process, GSFC's small business office reviews all procurement requests which are expected to exceed $100,000. Should there be "qualified small businesses," the action is set-aside for the small business community. In addition, all other actions that are not set-aside and are above $550,000 are reviewed and subcontracting goals are provided to be incorporated into the request for proposal and later into the contract of the successful offeror. Through these procedures, GSFC fosters opportunities for small businesses to provide the services in support of Wallops' mission.

While Wallops depends on small businesses for the success of its operations, the surrounding community relies on the success of Wallops to sustain and grow the local economy. The partnership between Wallops and small businesses is integral to a thriving economy on Virginia's lower Eastern shore, and we at NASA are committed to building upon the current successes that partnership to the benefit of all those involved with and touched by it.

Again, thank you for the opportunity to appear before this Subcommittee today. We will be pleased to respond to any questions that you may have.